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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget for the United Nations Logistics Base at Brindisi for the period from 1 July 2005 to 30 June 2006

Report of the Secretary-General

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Summary

The present report contains the budget for the United Nations Logistics Base at Brindisi, Italy (UNLB), for the period from 1 July 2005 to 30 June 2006, which amounts to $37,691,900.

The budget provides for the deployment of 42 international staff and 167 national staff.

The total resource requirements for the Logistics Base for the financial period 1 July 2005 to 30 June 2006 have been linked to the Base's objective through a results-based framework under a support component.

The explanations of variances in resource levels, both human resources and financial resources, have, where applicable, been linked to specific outputs planned by the Base.

Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2005 to 30 June 2006.)

Category	*Expenditures (2003/04)*	*Apportionment (2004/05)*	*Cost estimates (2005/06)*	*Variance*	
				Amount	*Percentage*
Military and police personnel	—	—	—	—	—
Civilian personnel	8 537.5	10 152.6	15 519.5	5 366.9	52.9
Operational costs	13 521.6	18 269.4	22 172.4	3 903.0	21.4
Gross requirements	**22 059.1**	**28 422.0**	**37 691.9**	**9 269.9**	**32.6**
Staff assessment income	1 377.1	1 560.6	2 353.7	793.1	50.8
Net requirements	**20 682.0**	**26 861.4**	**35 338.2**	**8 476.8**	**31.6**
Voluntary contributions in kind (budgeted)	—	—	—	—	—
Total requirements	**22 059.1**	**28 422.0**	**37 691.9**	**9 269.9**	**32.6**

Human resources

	International staff[a]	*National staff[a]*	*United Nations Volunteers*	*Government-provided personnel*	*Civilian electoral observers*	*Total*
Support						
Approved 2004/05	37	99	—	—	—	**136**
Proposed 2005/06	42	167	—	—	—	**209**
Net change	**5**	**68**	**—**	**—**	**—**	**73**

[a] Represents highest level of authorized/proposed strength.

The actions to be taken by the General Assembly are set out in section IV of the present report.

I. Mandate and planned results

1. The United Nations Logistics Base at Brindisi, Italy, has been in operation since late 1994 under a rent-free arrangement with the Republic of Italy. The memorandum of understanding regarding the use by the United Nations of the facilities was signed by the Secretary-General and the Republic of Italy on 23 November 1994 and was amended on 7 December 2001.

2. The overall objective for the Logistics Base is to ensure efficient and effective peacekeeping.

3. Within this overall objective, the Base will, during the budget period, contribute to one expected accomplishment by delivering related key outputs, shown in the framework below. The outputs are grouped under the following core support functions: strategic deployment stocks and United Nations reserve stocks management; communications hub and information technology network operations; training services; management and administration of UNLB; San Vito refurbishment plan.

4. As compared to 2004/05, the presentation of the framework along five programmatic lines has been discontinued in favour of a standard presentation. The programmatic approach first introduced in 2003/04 and restricted to the framework only in 2004/05 has proven difficult to implement both in financial and organizational terms, given the financial cross-subsidies between the five programmes and the need for a conventional administrative structure which parallels those of the missions and headquarters.

5. Variances in the number of personnel, compared to the budget of 2004/05, including redeployments and reclassifications, have been explained under the support component.

6. The budget includes estimates in relation to the proposed expansion of UNLB into the former United States military base at San Vito, 10 kilometres from its present facilities. UNLB has outgrown the existing facilities at the Base for communication and information technology operations and is constrained in terms of open storage areas, particularly for vehicle parking. The expansion to San Vito is aimed at establishing a state-of-the-art communications hub and a business continuity and disaster recovery centre for the Department of Peacekeeping Operations and other users, and at collocating the storage area for strategic deployment stocks transport assets in a more operationally efficient location. The proposed expansion is expected to be completed in three phases, with an estimated cost of $8,854,680. The present budget includes $5,123,680 as phase 1 of the three-phase expansion plan.

Component: support

Expected accomplishments	*Indicators of achievement*
1.1 Increased efficiency and effectiveness of peacekeeping operations	1.1.1 Deployment of equipment in the amount of $130 million from strategic deployment stocks for one complex new mission within 90 days from mandate
	1.1.2 Improved availability of worldwide communication and information technology networks for peacekeeping operations to 99.7% from 99.6% in 2004/05

Outputs

Strategic deployment stocks and United Nations reserve stocks management

- Receipt, inspection, issuance/rotation of strategic deployment stocks equipment valuing approximately $260 million equivalent to requirements for one complex mission
- Storage and maintenance of strategic deployment stocks equipment, including on average (based on one third of stocks) 396 vehicles, 126 generators, 294 prefabricated buildings and associated equipment, spare parts and expendable stores to warranty standards
- Refurbishment of 100 vehicles, 18 generators and 24 air-conditioning units for inclusion in the United Nations reserve stocks
- Implementation of system integration of one rapid deployment telesystem (for a complex mission) and 9 mobile deployable telesystems
- Conduct of one disposal sale in the year comprising mainly United Nations reserve stocks
- Provision of ground support to 84 aircraft movements through UNLB

Communications hub and information technology network operations

- Maintenance of worldwide communication and information technology networks for peacekeeping missions and headquarters, including 90 satellite links for provision of worldwide voice, video and data network
- Handling of 22,000 mission communication and information technology help-desk calls
- Weekly back-up of 100 per cent of United Nations Headquarters and peacekeeping missions critical databases

Training services

- Administration of 100 training courses, seminars and pre-deployment briefings
- Development of training modules and delivery of eight specialized courses, consisting of four on core skills, two on team-building, one on peacekeeping planning and management and one on senior leadership induction for a total of 240 participants

Management and administration of UNLB

- Administration of an average number of 42 international and 167 national staff
- Maintenance and provision of building management services for 49 buildings (41,657 m^2), 25 soft walled shelters (12,407 m^2) and 237,280 m^2 of open area, including 86,280 m^2 of storage areas and 91,100 m^2 of roads and parking areas
- Maintenance and operation of UNLB vehicle fleet of 118, consisting of light, medium and heavy forklifts, trucks, trailers, sedans and delivery vans

San Vito refurbishment plan

- Completion of phase 1 (non-recurrent costs of $5,123,680) of the three-phase refurbishment plan (total non-recurrent costs of $8,854,680), including completion of 30,000 m^2 of hard-standing and associated infrastructure at San Vito to replace San Pancrazio strategic deployment stocks vehicle storage, completion of phase 1 refurbishment of three buildings for future communications and information technology services hub at San Vito and acquisition of information technology equipment

External factors

Suppliers will provide timely goods and services, as contracted

Human resources: support component

Category	*International staff*										*Total*
	USG -ASG	*D-2 -D-1*	*P-5 -P-4*	*P-3 -P-1*	*Field Service*	*General Service*	*Security Service*	*Subtotal*	*National staff*	*United Nations Volunteers*	*Total*
Office of Chief Administrative Officer											
Approved 2004/05	—	1	1	1	—	—	—	3	2	—	5
Proposed 2005/06	—	1	1	1	—	—	—	3	3	—	6
Net change	—	—	—	—	—	—	—	—	1	—	1
Office of Administrative Support Services											
Approved 2004/05	—	—	3	—	3	—	—	6	24	—	30
Proposed 2005/06	—	—	5	3	4	—	—	12	32	—	44
Net change	—	—	2	3	1	—	—	6	8	—	14
Office of Technical Support Services											
Approved 2004/05	—	—	5	5	18	—	—	28	73	—	101
Proposed 2005/06	—	—	5	5	17	—	—	27	132	—	159
Net change	—	—	—	—	(1)	—	—	(1)	59	—	58
Total											
Approved 2004/05	—	1	9	6	21	—	—	37	99	—	136
Proposed 2005/06	—	1	11	9	21	—	—	42	167	—	209
Net change	—	—	2	3	—	—	—	5	68	—	73

7. The following posts are proposed in the budget:

(a) The addition of five international posts and one national post for the purpose of establishing a permanent training cell at UNLB. This training cell will develop the modules and deliver and coordinate external resource persons (such as senior Department of Peacekeeping Operations staff) for the four courses which will encompass 240 participants during a 12-month period as part of a programme to build a cadre of civilian peacekeeping professionals. The courses include: core values and core competencies training (four per year), team-building (two per year), peacekeeping-planning and management (one per year) and senior leadership induction (one per year). The international posts would comprise two P-4s and three P-3s. The responsibilities of the proposed posts will be as follows:

- One P-4 for the coordination of the design and delivery of team-building, peacekeeping-planning and management and senior leadership induction courses. The incumbent will also develop and deliver leadership, management and communication modules for each course and liaise with missions to ensure that training meets mission needs;
- One P-4 for the coordination of the design and delivery of the core values, core competencies and mission start-up training courses. The incumbent will also develop and deliver planning skills and exercise/simulation modules for each course and support the Department of Peacekeeping Operations in the development and conduct of exercises;
- One P-3 for the development and delivery (and coordination of external facilitators) of substantive, mission support and military and civilian police modules for each course;
- One P-3 for the development and delivery (in collaboration with the Office of Human Resources Management) of the mission readiness skills modules for each course;
- One P-3 for the design and implementation of participant selection and training evaluation mechanisms. The incumbent will also develop and implement United Nations system and capacity-building modules for each course;
- One national staff to support the five training officers in the preparation of course material and the running of a training office and to provide routine administration in support of the training staff and the participants;

(b) The addition of one national staff under the Office of Administrative Support Services as security and safety assistant, to support the chief security officer in managing security liaison at San Vito in conjunction with the Italian Ministry of Defence and prepare and implement security-related measures to ensure the protection of United Nations assets and facilities at that location. The incumbent will also assist in the organization and provision of the safety and security programme for all UNLB staff in compliance with the existing safety and security rules and regulations;

(c) The addition of two national staff under the Office of Technical Support Services for data cleansing and codification of all United Nations property. The proposed staff will ensure standardization of codes across asset management sections and monitor and periodically verify missions' ongoing codification, thereby

improving management's view of United Nations property holdings and facilitate the process of recording receipt and inspection of materials by minimizing the future need for assigning temporary item codes and reducing data entry time.

8. In addition, the budget contains a proposal to regularize 64 individual contractors that are under "operational costs" in the financial period 2004/05 into 64 national posts (fixed-term under the 100 series of the Staff Rules). These contractors currently perform core functions and are required by UNLB on a continuing basis independent of the strategic deployment stocks surge capacity requirements. The breakdown of the proposed conversions is as follows:

- Office of the Chief Administrative Officer: one post of liaison assistant;
- Office of Administrative Support Services: a total of six posts, with one under "procurement", three under "finance" and two under "personnel";
- Office of Technical Support Services: a total of 57 posts, with 15 under "engineering", 10 under "supply and warehousing", 10 under "transport", 20 under "communications and information technology" and 2 under "air operations".

9. The budget also includes the following deployments to regularize changes made internally and since classified by the Office of Human Resources Management:

- One field service post is deployed within Administrative Support Services from the security office to the personnel office to strengthen the management of personnel in the areas of local staff recruitment and administration, as strongly recommended by the Office of Human Resources Management in an evaluation of UNLB personnel services;
- One Field Service post is deployed from the transport office under "Office of Technical Support Services" to the procurement office under "Office of Administrative Support Services" to improve the management and supervision of contracts and general procurement activities;
- One international staff (P-3) post is deployed within Technical Support Services from the air operations office to the engineering office to strengthen the management of all engineering projects, oversee design and implementation and employment of consultants for technical assessments and writing of statements of work and evaluation of technical proposals.

II. Resource requirements

A. Overall

(Thousands of United States dollars. Budget year is 1 July 2005 to 30 June 2006.)

Category	Expenditures (2003/04)	Apportionment[a] (2004/05)	Cost estimates (2005/06)	Variance	
				Amount	Percentage
	(1)	(2)	(3)	(4)=(3)-(2)	(5)=(4)÷(2)
Military and police personnel					
Military observers	—	—	—	—	—
Military contingents	—	—	—	—	—
Civilian police	—	—	—	—	—
Formed police units	—	—	—	—	—
Subtotal	—	—	—	—	—
Civilian personnel					
International staff[b]	3 537.5	4 700.0	5 406.0	706.0	15.0
National staff[c]	5 000.0	5 452.6	10 113.5	4 660.9	85.5
United Nations Volunteers	—	—	—	—	—
Subtotal	**8 537.5**	**10 152.6**	**15 519.5**	**5 366.9**	**52.9**
Operational costs					
General temporary assistance	60.2	59.0	59.0	—	—
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	35.2	242.0	446.0	204.0	12.0
Official travel	197.1	302.6	220.0	(82.6)	(27.3)
Facilities and infrastructure	3 798.3	6 366.9	9 280.5	2 913.6	45.8
Ground transportation	1 481.4	1 963.2	1 514.1	(449.1)	(22.9)
Air transportation	—	—	—	—	—
Naval transportation	—	—	—	—	—
Communications	4 758.8	4 690.2	4 597.9	(92.3)	(2.0)
Information technology	2 241.3	3 591.5	4 224.7	633.2	17.6
Medical	—	200.0	280.0	80.0	40.0
Special equipment	—	—	—	—	—
Other supplies, services and equipment	949.3	854.0	1 550.2	696.2	81.5
Quick-impact projects	—	—	—	—	—
Subtotal	**13 521.6**	**18 269.4**	**22 172.4**	**3 903.0**	**21.4**
Gross requirements	**22 059.1**	**28 422.0**	**37 691.9**	**9 269.9**	**32.6**
Staff assessment income	1 377.1	1 560.6	2 353.7	793.1	50.8
Net requirements	**20 682.0**	**26 861.4**	**35 338.2**	**8 476.8**	**31.6**
Voluntary contributions in kind (budgeted)	—	—	—	—	—
Total requirements	**22 059.1**	**28 422.0**	**37 691.9**	**9 269.9**	**32.6**

[a] Reflects adjusted distribution of approved resources between operational costs categories of expenditure.
[b] Cost estimates for 2005/06 are inclusive of a 12% vacancy rate compared to a 10% vacancy rate applied in 2004/05.
[c] Cost estimates for 2005/06 are inclusive of a 2% vacancy rate compared to a 5% vacancy rate applied in 2004/05.

B. Training

10. The estimated requirements for training for the period 1 July 2005 to 30 June 2006 are as follows:

(Thousands of United States dollars)

Category	*Estimated amount*
Consultants	
Training consultants	175.0
Official travel	
Training	73.1
Other supplies, services and equipment	
Training fees, supplies and services	101.6
Total	**349.7**

11. The proposed training requirements encompass courses/workshops on vehicle maintenance and spare parts management, on dangerous goods for certification in handling of dangerous goods, on communication and information technology to keep staff up to date with continuous technological developments and innovations, on team-building and conflict resolution and on contract law and commercial/legal negotiations.

C. Non-budgeted contributions

12. The estimated value of non-budgeted contributions for the period 1 July 2005 to 30 June 2006 is as follows:

(Thousands of United States dollars)

Category	*Estimated value*
Memorandum of understanding[a]	2 070.7
Total	**2 070.7**

[a] Inclusive of office buildings, workshop structures and warehouse structures provided by the Republic of Italy.

III. Analysis of variances[1]

Reference

The present section describes the single largest contributing factor of each resource variance according to specific standard options encompassed in the four standard categories listed below:

- **Mandate**: variances caused by changes in the scale or scope of the mandate, or changes in the expected accomplishments as driven by the mandate;
- **External**: variances caused by parties or situations external to the United Nations;
- **Cost parameters**: variances caused by United Nations regulations, rules and policies;
- **Management**: variances caused by management actions to achieve planned results more effectively (e.g. by reprioritizing or adding certain outputs) or efficiently (e.g. by taking measures to reduce personnel or operational inputs while maintaining the same level of outputs) and/or from performance-related issues (e.g. by having underestimated the costs or quantities of inputs required to produce a certain level of outputs, or by delayed recruitment).

	Variance	
International staff	$706.0	15.0%

- **Management: additional inputs and outputs**

13. The additional requirements relate to the five new posts comprising two P-4s and three P-3s proposed for the training cell.

	Variance	
National staff	$4,660.9	85.5%

- **Management: conversion of 64 individual contractors**

14. The increased requirements relate mainly to the conversion of 64 individual contractors into national staff. In addition, four new posts comprising one for security, two for codification services and one for the training cell are included in the estimates.

[1] Resource variance amounts are expressed in thousands of United States dollars.

	Variance	
Consultants	$204.0	12.0%

Management: change in account code

15. The increased requirements relate mainly to estimates for training consultants which were previously budgeted under "other supplies, services and equipment". As included in phase 1 of the San Vito plan, the estimates include $160,000 for consultancy work to survey the San Vito site and buildings, the development of detailed plans and designs, and certification by a locally certified consultant in conformity with local law.

	Variance	
Official travel	($82.6)	(27.3%)

Management: reduced inputs and same outputs

16. The reduced requirements are mainly under "travel for training", as more training programmes are organized in Brindisi, thus reducing the need for Logistics Base staff to travel abroad.

	Variance	
Facilities and infrastructure	$2,913.6	45.8%

Management: increased inputs and outputs

17. The increased requirements are mainly in relation to phase 1 of the San Vito plan. Estimates include $4,376,000 for the construction of strategic deployment stocks vehicle storage and hard-standing at San Vito to enable the relocation of strategic deployment stocks vehicles from San Pancranzio, refurbishment of 2,500 m^2 of office and technological workspace and the construction of slabs for antennas, prefabricated conduits for cables from antennas and other works for the new communications and information technology hub at San Vito.

	Variance	
Ground transportation	($449.1)	(22.9%)

Management: conversion of 10 individual contractors

18. The reduced requirements are due mainly to the proposed conversion of 10 individual contractors to national posts.

	Variance	
Information technology	$633.2	17.6%

Management: additional inputs and outputs

19. Additional requirements are due mainly to the acquisition of information technology equipment valued at $368,000 for the proposed expansion in San Vito. In addition, $320,000 is proposed for the hiring of four international specialized contract technicians to perform the weekly back-up of 100 per cent of United

Nations Headquarters and peacekeeping missions' critical databases in the Disaster Recovery Centre, which will be located at Brindisi during this budget period, but will move to the San Vito site when established.

	Variance	
Medical	$80.0	40.0%

- **Management: additional inputs and outputs**

20. Additional requirements relate to the contracting of the services of a doctor and part-time nurse to provide medical services to UNLB staff.

	Variance	
Other supplies, services and equipment	$696.2	81.5%

- **Cost parameters: change in contract modality**

21. The increased requirements relate to the subcontracting from April 2006 of 56 individual contractors to a service company. This follows the UNLB policy to discontinue hiring individual contractors for non-core work and surge capacity. The estimates also include a decrease of $153,200 in relation to the training consultants, which are now budgeted under the "consultants" category.

IV. Actions to be taken by the General Assembly

22. **The actions to be taken by the General Assembly in connection with the financing of the United Nations Logistics Base are:**

(a) **Approval of the amount of $37,691,900, for the maintenance of the Logistics Base for the 12-month period from 1 July 2005 to 30 June 2006;**

(b) **A decision to apply the unencumbered balance of $149,000 and other income/adjustments of $2,292,000, as proposed in paragraph 17 (a) and (b) of the report of the Secretary-General (A/59/681), to the resources required for the period from 1 July 2005 to 30 June 2006;**

(c) **Proration of the amount of $35,250,900 among the individual active peacekeeping operation budgets to meet the financing requirements of the Logistics Base for the period 1 July 2005 to 30 June 2006.**

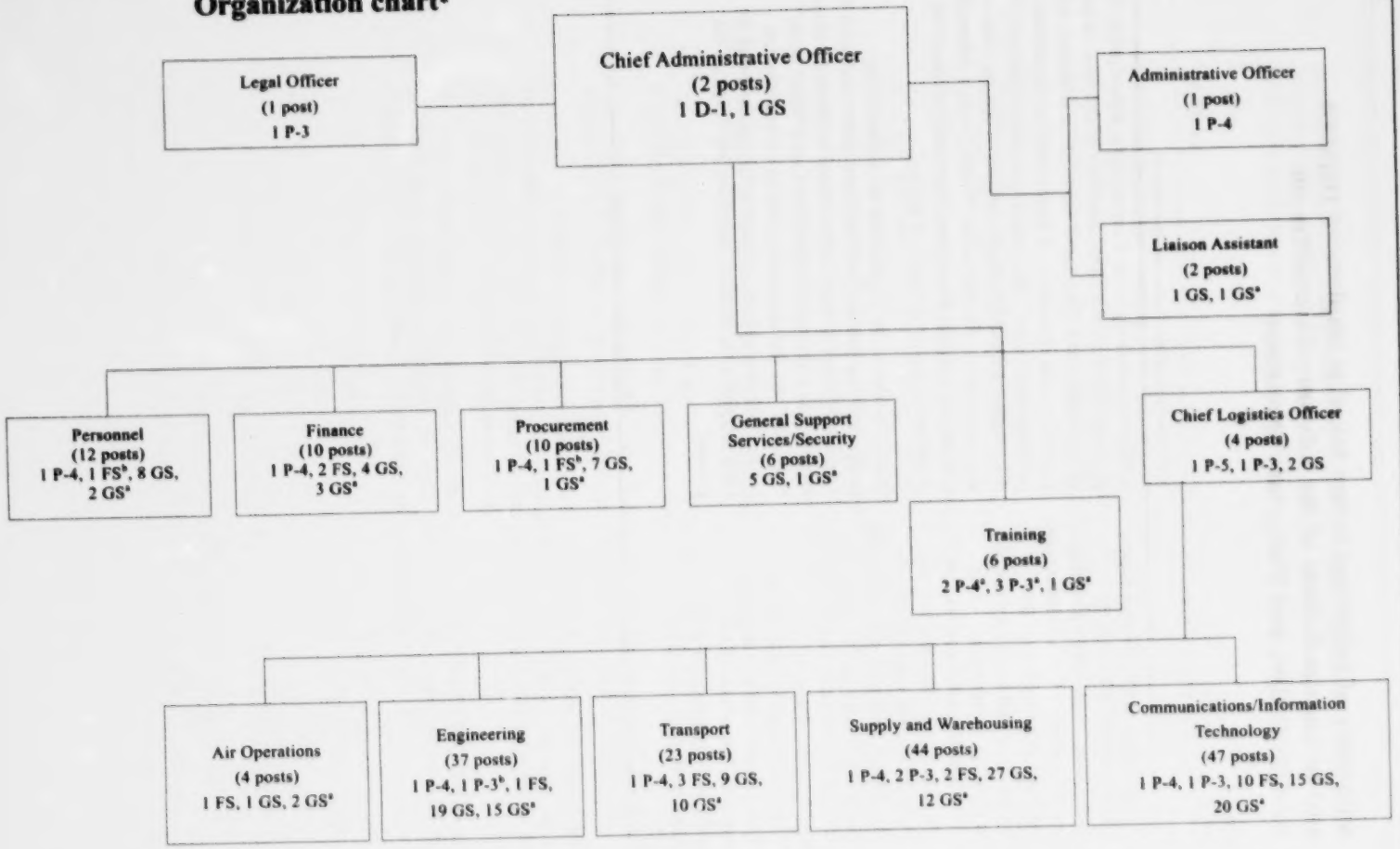
V. Summary of follow-up action taken to implement requests and recommendations of the Advisory Committee on Administrative and Budgetary Questions

(A/58/759/Add.9)

Request/recommendation	*Action taken to implement request/recommendation*
The Committee recalls that, in its previous report on the Base, it welcomed the efforts by the administration of the Base to identify and quantify the cost of each service provided on a reimbursable basis and requested that information on the technique used by the Base and its experience in identifying and estimating reimbursable costs should be made available to administrations of other missions; the Committee also pointed out that the impact of reimbursable expenditure was not reflected in the budget estimates and requested that an appropriate methodology in this regard be developed and utilized for the next budget estimate (see A/57/772/Add.9, paras. 4 and 5). The Committee notes that the budget document does not contain information on measures taken in response to its requests. Therefore, the next budget document on the Base should contain information on the implementation of the Committee's requests. (para. 5)	UNLB acknowledges the Committee's appreciation for the work done by the administration of the base in respect of inter-mission billings and inter-office vouchers, which are performed in support of peacekeeping operations on a reimbursable basis. The conditions and procedures for the reimbursement of support rendered among missions are contained in the published "Field Finance Manual". UNLB has utilized these procedures and strives to be reimbursed within 10 days of billing. It will, however, be impossible to predetermine, prequantify or pre-account for costs associated with inter-mission billings or inter-office vouchers because these reimbursable services are rendered on a "need basis", "initiated" by the requesting peacekeeping mission, United Nations agency or other entity as the need for such support is identified, based on activities on the ground.

Annex

Organization chart*



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* Abbreviations: FS = Field Service; GS = General Service.

[a] New post.

[b] Redeployment.